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Social Security Advisory Board Calls for an Immediate Halt to Social Security Administration's Benefit Offset National Demonstration

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Washington—As the federal government continues to look for cost-saving measures, the Social Security Advisory Board today issued a report calling for a halt to the Social Security Administration's Benefit Offset National Demonstration, which could lead to more efficient use of the \$121 million of taxpayer funding initially set aside for the project.

The purpose of BOND is to test whether the availability of a benefit offset alone, or in combination with benefits counseling, would incentivize Social Security Disability Insurance (SSDI) beneficiaries to earn above the substantial gainful activity (SGA) level and therefore return to the workforce. The two primary questions considered were: will a benefit offset incentivize more work for SSDI beneficiaries and what are the effects of induced entry onto the SSDI program, if any.

Based on its analysis of BOND, the Board has concluded that the demonstration is an insufficient test of the potential of these work incentives among Social Security beneficiaries. While SSA has received criticism in the past for not completing research projects, the Board concluded that this particular demonstration is not worthy of continued investment, and therefore recommends that it be halted immediately.

The Social Security Advisory Board is an entity established by statute to advise the President, the Congress, and the Commissioner of Social Security on matters relating to the Nation's retirement and disability systems. Its mandates also include increasing public understanding of the Social Security system. Members of the Board are appointed on a bi-partisan basis by the President, the Senate, and the House of Representatives.

Copies of the report can be obtained by contacting the Board at its office.